1. Above results to date are encouraging and mirror the first few weeks of Basic's Market Level program.

2. Basic gains may be more category driven than program related.

- Basic is demonstrating early signs of encouraging penetration (FSIs, and hot position in Marlboro display), where Basic is underdeveloped and PM promotes competitive private Labels are not strong. However, the Discount category has also lost Marlboro lost share.

predominantly in the Eastern U.S.

3. Unmarked Lee product offers (B2G1F) are more of a benefit than buy downs on FSIs.

- Marginal benefits to Basic are indicated in the West Coast markets (Level 1) where Basic share has held to mid levels, while the Discount category has declined.

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Source: https://www.industrydocuments.ucsf.edu/docs/mgfj0004